

## Message Text

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43

ACTION EB-11

INFO OCT-01 ARA-16 ISO-00 CAB-09 CIAE-00 COME-00 DODE-00

INR-10 NSAE-00 RSC-01 FAA-00 DOTE-00 XMB-07 DRC-01

MC-02 OMB-01 L-03 /062 W  
----- 102725

R 281515Z NOV 73

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC 6687

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EO 11652: NA

TAGS: ETRN, CI

SUBJECT: CIVAIR - LAN CHILE PLANS FOR PURCHASE OF JET AIRCRAFT

PASS EXIM AND COMMERCE

1. ON NOVEMBER 27 GENERAL GERMAN STUARDO, PRESIDENT OF LAN-CHILE, TOLD EMBOFF LAN PLANS TO PURCHASE THREE BOEING 707/320 C OR V MODEL JETS WITHIN THE NEXT FEW MONTHS, PROVIDED FINANCING CAN BE ARRANGED. (NEWSPAPERS DURING PAST FEW DAYS CARRIED COMMENT BY STUARDO THAT LAN WISHED TO EXPAND FLEET.)
  2. LAN HAS MADE DETAILED STUDY OF ALL FACTORS INCLUDING ROUTE REQUIREMENTS, PARTICULARLY FOR EXISTING ATLANTIC FLIGHTS AND EXTENSION OF SOUTH PACIFIC ROUTES TO AUSTRALIA, WHICH STUARDO SAID IS ALREADY APPROVED. LAN HAS DEFINITELY SETTLED ON ABOVE MODEL, STUARDO SAID. LINE HAD HOPED TO OBTAIN THREE USED AIRCRAFT BUT HAS LOCATED ONLY TWO ON MARKET: ONE FROM NORTHWEST ORIENT AND OTHER FROM WORLD AIRWAYS. SINCE FINAL STUDIES SHOWED USED AIRCRAFT LIKELY TO BE COSTLIER IN LONG RUN THAN NEW, LAN SAYS IT HAS ENTERED INTO NEGOTIATIONS WITH BOEING, WHICH IN TURN IS REVIEWING LONG-STANDING FINANCING PLANS WITH EX-IM.
  3. STUARDO SAID FINAL OUTCOME IS LIKELY TO BE PURCHASE BY MARCH 1974, AT LATEST, OF ONE USED AIRCRAFT ON PROCEEDS FROM
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SALE OF TWO LAN CARAVAELES, AT SAME TIME HOPEFULLY CONCLUDING

FINANCING AGREEMENT WITH EX-IM FOR DELIVERY OF TWO NEW AIRCRAFT  
LATER.

4. STUARDO CONFIRMED THAT LAN HAD PURCHASED SIX TWIN OTTERS  
RECENTLY IN CANADA, AND SAID LAN HAS NO PLANS TO PURCHASE  
ADDITIONAL PROPELLER OR TURBOPROP AIRCRAFT. HE SAID THAT LAN  
DOES WISH TO PLAN FOR EVENTUAL PURCHASE OF BOEING 747 SP MODELS  
IN 1976, WHEN THESE MODELS ARE EXPECTED TO COME ON THE MARKET.  
HE SAID UNTIL THAT TIME LAN OFFICIALS BELIEVED THE LINE WOULD  
NOT BE IN A POSITION TO TAKE ON WIDE-BODIED AIRCRAFT.  
THOMPSON

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** JET AIRCRAFT, AIRCRAFT SALES, BANK LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 28 NOV 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** worrelsw  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973SANTIA05831  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** SANTIAGO  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Line Count:** 72  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** worrelsw  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 17 JAN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <17-Jan-2002 by willialc>; APPROVED <06 MAR 2002 by worrelsw>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CIVAIR - LAN CHILE PLANS FOR PURCHASE OF JET AIRCRAFT PASS EXIM AND COMMERCE  
**TAGS:** ETRN, CI  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005